

Sam Myers

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SPEECH.

Mr. MR. WOODBURY addressed the Senate as follows:

Mr. PRESIDENT: I entertain views friendly to most of these resolutions. My object in rising is chiefly to try to contribute something in favor of those which relate to retrenchment. They are the last six; and if, in supporting the great measures involved in them, it shall be my misfortune to differ from some of the views expressed in the other resolutions, I shall do it not with a censorious spirit, but only with a design to have all the facts and principles material to our decision, exhibited in a form as accurate as possible.

I am in earnest, sir, on this subject. It is to be hoped we are all so. The time for action has come. We are bound to rise above party. The country itself is in jeopardy. As I feared some months ago, we are threatened again from the Treasury Department with new acts of bankruptcy. The cry is already upon us for larger loans. We must then retrench in fact, and not merely talk—must deal in particulars and amounts, however irksome, and not in loose generalities; and we must begin this forthwith, or financial ruin will be the inevitable consequence.

To aid us in this ungracious task, it is to be regretted that the Executive and the different Departments did not, at the commencement of the present session, looking to the embarrassed condition of the finances, submit projects for reduction. Not only the times imperatively demanded this, but the fulfillment of public and repeated pledges. It is further to be regretted that the last of these resolutions, now calling on them to present such plans, had not been introduced earlier, or is not to be acted on first by us, and the answers obtained, before we decide under the third resolution what the aggregate of all our expenses ought to be, and whether it be necessary to violate our repeated compromises as to the tariff, in order to discharge them.—Much more is it to be regretted, that the Senate itself, with all the means and light it may have, should not be asked to dispose first of the four last resolutions pertaining to reductions in the civil, diplomatic, legislative and other branches, and fix the amounts of reduction in each, before we are required to vote on the second and third, which are but consequences of the others. Why, also,

should we not first have reports from our own committee on retrenchment?

It may be, sir, because action has been delayed too long for further delay; or because you cannot place confidence in a cordial co-operation in retrenchment by the Executive Departments. I can appreciate these, and perhaps some other considerations, which may have influenced the mover of the resolutions to press their final decision on us now, though it be in so unprepared a condition, and in an order so unnatural.

I therefore proceed to examine, separately, the first resolution. That declares it to be

"The duty of the General Government for conducting its administration, to provide an adequate revenue within the year to meet the current expenses of the year; and that any expedient, either by loan or by Treasury notes, to supply, in time of peace, a deficiency of revenue, especially during successive years, is unwise, and must lead to pernicious consequences."

In the principle of this resolution, as well as in the last six, concerning retrenchment, it gives me great pleasure cordially to concur. Nor did the late Administration, as the mover seems to suppose, hold any different doctrine; nor did the Executive portion of it practise on any different one.

In order to correct his mistake, in this respect, I ask permission to read a single passage, among several, from one of the annual reports of the Treasury Department.

In that, made December, 1839, it is said:

"But unpleasant as is the task of reduction," it is "better to do this, so far as the public exigencies may require and justice sanction, than to expose the Treasury to bankruptcy, by continuing to make appropriations beyond the certain means provided for the payment of them, or to resort, in a period of peace, to the spendthrift and suicidal policy of effecting permanent loans to defray ordinary expenditures."

Congress was also urged, among other things, rather than appropriate beyond the certain means, "at once to resort to the contingent power contemplated in the existing laws concerning the tariff, where changes became necessary, for purposes of revenue, and restore the duty on several articles of luxury now free."

Was there any practice in the past Administration different from this? Never, sir, at the other end of Pennsylvania avenue, whatever there may have been at this. And when, at the last extra session, I reminded that Senator of this same distinction, and it was received with something like distrust, if not ridicule, little did he or I dream, that in less than six brief months, he would be

heard, as a few days ago in this chamber, taking the same distinction now, and urging it on our approval. Yes, sir, the Executive, under the last Administration, not only recommended economy generally, but presented annual estimates to Congress for such amounts only as could, with the existing means, have all been paid, and every Treasury note redeemed within the year, and Congress not increased the appropriation largely beyond those estimates.

The proof of this is before me on the official records. The earliest Treasury notes were issued in October, 1837. On the first of January, 1838, the whole amount outstanding was only two millions and nine-tenths. Congress in that year appropriated thirteen millions more than the annual estimates. Would they not all have been redeemed in 1838 had not Congress done this? Yes, sir, and a large balance of money left on hand. How was it on the first of January, 1839? By those largely increased appropriations, the amount of Treasury notes, instead of being extinguished, had been increased, though not to ten, fifteen, or twenty millions, as many have supposed, but merely to seven millions and three-tenths. Every one of these, too, presented before the year ended, could have been paid without new issues, had not Congress again increased the appropriations to about two millions beyond the annual estimates; because, notwithstanding that increase, the amount of Treasury notes was reduced and paid off so that only two millions and a fraction were outstanding on the 1st of January, 1840. Yet some have supposed it was ten times this amount! In that year these also would have all been extinguished, had not Congress once more swollen the appropriations near three millions above the estimates, and neglected to correct the laws as to drawbacks and judicial decisions on the tariff, so as to deprive the Department in a few years of some millions of revenue.

But, under all these discouragements, the whole amount of Treasury notes left on the 1st of January, 1841, out of all which had been issued from the beginning, in 1837, was but four millions and six-tenths. This, you will perceive, was an aggregate, less in amount by thirteen millions than the additional appropriations made by Congress during that period. Hence, but for those additions, all the demands of the year, and all the notes out, would have been paid within each year, as this first resolution approves and as I approved then as well as now, and then earnestly attempted. Beside this, a balance would also have been left, large enough to have placed the fourth instalment with the States of about nine millions, and keep four millions surplus in the Treasury to meet those small additions to the annual estimates sent at times to Congress by some of the Departments during the session. These in prudent periods seldom exceed in amount what Congress choose to reduce from the annual estimates. But if in those years, they exceeded it four millions, they could all have been met, all the other expenses met, the fourth instalment met, and every Treasury note out redeemed, had the powers at this end of the avenue fully conformed to the policy and wishes of the

powers at the other end, as developed in the annual reports on the finances.

Nor do I bring this as a reproach on Congress, if its members deemed the additional appropriations necessary and proper. In such a view it was their duty to make them, and in any view it was their right. Political opponents as well as friends voted for most of them, and in cases of a doubtful character, more of the former than of the latter, it is believed, supported them. But again and again it was urged on all by the Treasury Department, that if the appropriations should be increased much beyond the annual estimates, Congress as inculcated in the first resolution, ought to provide ample means, without loans in time of peace, to defray all the expense.

Considering these facts, and looking to our resources then existing from lands, customs and indebted banks, ample, without new taxes, till 1841 or 1842, it would have been oppressive and wanton, instead of a duty, in the past Administration, to have asked Congress for higher taxes to meet the engagements which it recommended, and for which it had, as it then believed, and as events have since verified, abundant means to pay every dollar without prematurely imposing on the people additional burdens. All the increase of Treasury notes before it left power on the 4th of March, was only about a million more, and all the debt then existing by means of them was by the official report of the present Secretary of the Treasury, made to us at this session—only about five millions and a half, deducting such as had been actually paid in but not entered on the books. (See Doc. No. 41.)

Thus dwindles down the forty million debt, on which such countless tirades were heard before the late Presidential election, to the admitted, recorded, official confession of our opponents now, that it was only from five to six millions.

Thus is it also manifest that in conformity with the principles of the first resolution, if Congress had restricted the appropriations to the amount called for in the annual estimates, and had, as desired, corrected erroneous drawbacks and judicial reductions of the duties, not only every dollar of expenditure during Mr. Van Buren's term, would have been met within the year by its own means, and the whole of the fourth instalment gradually deposited with the States, but not a single Treasury note, nor a dollar of new debt of any kind would have been left outstanding when he retired to private life.

The remaining resolutions present these important considerations: What ought to be the aggregate amount of our expenditures in this and a few ensuing years? what are the means to defray them under the existing laws? and whether there is a deficiency in those means so as to require the duties to be raised higher than twenty per cent? Connected with these is another proposition, that the distribution act ought not to be repealed, even if the duties be increased above twenty per cent.

Now, sir, the only legitimate object of us all in these inquiries must be to ascertain what is true in fact and useful in principle. Any suggestions or reasons submitted to aid the examination, which are pertinent, must therefore be acceptable in this search for light and truth.

In the outset, then, allow me to state that, after careful inquiry on these points, my conclusions are, that the expenditure of twenty-six millions yearly, as proposed in the third resolution, is too high, and can, by proper retrenchment, be lessened this year to near twenty-two millions, including contingencies and debt, or about nineteen millions without them, and the next year to only seventeen millions. That in order to obtain the amount of revenue to meet this expense, it is not necessary, as proposed in the second resolution, to raise the tariff above twenty per cent. provided the imports shall be as great as the mover himself has estimated them, after making the corrections in his data which are obviously required. That, in such an event, the distribution act ought to be repealed, as well as when the duties go above twenty per cent. and that no tax need then be imposed on coffee or tea, unless Congress believe the expenses of all kinds must be higher, or the revenue lower, than twenty-two and a half millions.

In the present imperfect state of information, as to the retrenchments which the Departments or the Senate think can properly be made, it will be necessary to form our opinions on other data. Let us, then, see what the expenses have been in various periods preceding the present—and use their amounts and character as grounds, among others, in deciding whether twenty-two and a half millions are at this time low enough, or too low, for our annual expenditure. In Mr. Adams's administration, independent of any debt, or issue and reissue of Treasury notes, the whole expenses were, on an average, about thirteen millions. Even this was higher than what the increase of population from some earlier periods justified. Going next to General Jackson's first term, whose extravagance, as well as Mr. Van Buren's, has at times been a topic of much party censure, and how many millions do you suppose was his increase, on an average, over Mr. Adams? Only one million of dollars. But soon after Gen. Jackson's second term, the United States Bank expansions began—the mania of speculation began—the unprecedented augmentation in revenue, consequent from them, began—and Congress, under such impulses, ran up the appropriations so high, as to compel an expenditure of between twenty-one and twenty-two millions, on an average, during his second four years. But did the Treasury Department or he ask for this amount? So far from it, the annual estimates in those years called for only about seventeen millions yearly; and these estimates were forced to be made higher, by Congress, than they otherwise would have been. Because as Congress instituted new works, more money must afterwards be asked for to complete those works, and as it multiplied officers of any kind, or augmented pay and salaries—the Departments were obliged to submit larger estimates afterwards to defray such additional expenses.

We have just had a striking illustration on this point, when a new measure has been introduced by a gentleman opposite, [Mr. MANGUM,] calling at once for an expenditure of a quarter of a million for another steamship of war. That was not included in the annual estimates, nor in any submitted since; and yet it will force the Navy Depart-

ment, after adding to its present large expenses this year, to increase its estimates next year from a quarter to a half million more, in order to complete a work Congress alone is responsible for. Passing from General Jackson's last term, which, however largely swollen by Congress, did not, by some millions, equal in expenditure what is even now proposed, and both of whose terms were only seventeen millions on an average, instead of the twenty-four now proposed, we come to Mr. Van Buren.

This term has formerly been the object of so much undeserved obloquy, as well as misrepresentation, it seems difficult for gentlemen on the other side, though in grave Senatorial discussions, to divest themselves of the party exaggerations adopted before the last Presidential election. Thus, in speaking of the average amount of the expenses in Mr. Van Buren's administration, the mover of these resolutions now states them to have been about thirty-five millions, or, to use his exact words, "an average per year of \$35,640,486 46." But what did his friend, Mr. Ewing, officially report them to be last year? (document No. 31, House of Representatives?) Only twenty-seven millions and seven-tenths. Here are his figures in detail, but which need not be repeated.

What did the chairman of the Committee of Ways and Means in the other House say they were? But twenty-seven millions, or, to use his very words, "averaging for each year, \$27,746,000." What did the mover himself then say was their average amount? But twenty-eight millions.

These were his remarks as reported in his speech of September 6th, 1841, on the tariff. He said the expenditure of 1841 would be increased by appropriations at the extra session, so as to be "for the year, \$28,000,000. This actual expenditure of the year would be about the average amount of the expenditures during the four years which Mr. Van Buren occupied the Presidential chair." Yet, now we are told, by the same gentlemen, that they were then thirty-five millions instead of twenty-eight. The excuse for this difference must come from his having then stated what were real, proper expenses, and what alone should be considered in inquiries like these, as Mr. Ewing's course, Mr. Fillmore's, and his own then, demonstrate: but that now, by inadvertence or haste, he has taken from some other person, a sum, including not only such expenses as he and others deemed pertinent before, but all the nominal expenses for debt, and the issue and reissue of Treasury notes during Mr. Van Buren's whole administration. In this way, the aggregate is swollen nearer to the celebrated FORTY MILLIONS. These additions, to be sure, it is necessary for some purposes should appear on the Treasury books; but the real expenses, all know who examine the matter, are not in fact increased a dollar by most of those additions. As, for instance, they would not be, if seven millions should be charged for redeeming old Treasury notes merely by issuing new ones to a like amount. The aggregate outstanding is not increased by this process—the Treasury does not lose a dollar by this—the country is not to be taxed a dollar for it. Then why should it be now included? and why now, but not last September, when engaged in a similar in-

quiry and comparison? Above all this, why is the debt now included in Mr. Van Buren's expenses, and not in those of Mr. Adams, with which it is compared? This is the great wrong inflicted by the inadvertence. It sends over the whole country, under his high authority, a comparison of the expenses of Mr. Van Buren's administration, including debt of all kinds—with Mr. Adams's, excluding debt of all kinds, but appearing on its face as if the items in both were the same. Had the mover examined and reflected on this, he never could have sent out Mr. Van Buren's expenses as an average at thirty-five millions, and Mr. Adams's at only thirteen, when in the items of the former are embraced seven millions each year on account of debt of some kinds, and in the latter are included nothing for debt, though there was, in his term, paid on account of debt, an average of quite eleven millions a year. There can be no reason for this difference in the course pursued as to these two terms.

Again, sir, in order to correct this mistake in all its consequences, it must be further noticed, that the mover says he intends to reduce the expenses this year (computing them at twenty-two millions) quite thirteen millions lower than Mr. Van Buren's—a reduction, he says, "greater than the whole average expenditure of the extravagant and profligate administration of Mr. Adams." Yes, sir, we are told this, when to accomplish it, as before shown, all kinds of debt, nominal and real, are added to Mr. Van Buren's, and none to Mr. Adams's; and when, also, none is added to his own twenty-two millions this year, for a permanent debt and contingencies of four millions, and seven millions more which the Secretary of the Treasury estimate must be paid to redeem Treasury notes.

I entreat him, then, though inadvertently the cause of such injustice to the past Administration, never to believe for a moment that all its expenses were thirteen millions more than is proposed by him for this year, when if the same items are included in both, the difference will not exceed two or three millions.

I trust, too, he will not flatter himself longer, nor his party, nor the public, as is incautiously done in his speech, that when spending twenty-four millions this year, including his two for contingencies—but excluding all kinds of debt, he is making a vast retrenchment of thirteen millions from Mr. Van Buren's wasteful, EXTRAVAGANT, AND PROFLIGATE ADMINISTRATION; because, in truth, he is thus proposing to spend a million and a half more than Mr. Van Buren expended in his last year, and near half a million more than the average of his last two years. Indeed, instead of thirteen, it is only three millions less than the average of all Mr. Van Buren's term, swollen as it was by others, and by causes entirely beyond his control, which I will soon explain.

The gentleman has unfortunately been thus led into a fatal error in the size of his proposed retrenchments of quite ten millions a year, if we go over the whole of Mr. Van Buren's term, and of more than all his [Mr. C's] boasted thirteen millions, if we go either to the last year, or the last two years of Mr. Van Buren's term. Looking to either, the Senator's plan is an addition, and not a retrench-

ment, and an addition to that administration, which he and his friends denounced so often, and with such severity, for the extravagant amount of its expenses. Finding, therefore, that in reality he has thus far retrenched little or nothing, I trust he will unite with me in going lower, not down at once to seventeen millions or fifteen, but descending gradually this year to nineteen millions, and next year to seventeen, as this is only what, under Mr. Van Buren, I proposed, and to which we were fast tending, when a new party came into power, complaining that we expended too much. As a remedy for that, they proceeded at once in an extra session to vote away near six millions additional in six months, and now present, as their plan of greater economy, and of reformed expenditure, a permanent increase of one and a half million over our last year. "Is this the entertainment to which we were invited?"

Yet, sir, I am not disposed to hold gentlemen responsible here for all the declarations of others of their own party on any topics. I therefore refrain from citing many others as to the reduction of our expenses.

But the Senator from Kentucky will not complain of recalling attention to his own wishes and opinions in favor of some further retrenchment, and especially after the challenge in his recent speech to produce any Whig authority in favor of a reduction of expenses as low as fifteen or thirteen millions.

In 1832, he remarked in his able speech on the tariff, that after applying the lands, partly to internal improvements, and partly to the removal of free blacks, he had "no objection to the reduction of the public revenue to fifteen, to thirteen, or even to nine millions of dollars," (8 vol. Gales and Seaton's Debates, 293 p.) After the lapse of ten years it would not be fair to consider an opinion favorable to the lowest or even to the highest of those sums as now suitable. The lowest was too low, then.

But during the very last extra session, when presenting a memorial from Georgia, he uttered a hope again, not merely for retrenchment generally, but added, that "he concurred most heartily in the expression of a sentiment in the latter part of the memorial, which expressed the wish that the expenses of the Government might be reduced from forty or fifty millions to twelve or fifteen," &c. (National Intelligencer, June 8th, 1841.)

This is certainly recent enough, but has been construed into a wish, and not an opinion, whether such a reduction was practicable or not. Let us then look at another of his speeches, made only in 1840, and to which he himself has invited our attention at this session, as containing correctly what were his views before the election on another agitating topic of the day.

In that speech, to be found in the National Intelligencer, July 15th, 1840, when treating of the public expenditures, he says: "THE ANNUAL EXPENDITURE MAY IN A REASONABLE TIME BROUGHT DOWN FROM ITS PRESENT AMOUNT OF ALMOST FORTY MILLIONS, TO NEAR ONE-THIRD OF THAT SUM." The one-third would be thirteen millions and three-tenths. I go no further in this inquiry. I would not hold him to that *thirteen* now, or even as soon

as 1845, which is, I hope, "a reasonable time." Nor do I complain of any exaggeration in the remark, that the present amount of expenses in 1840 was about forty millions, as the misrepresentation originated with others.

Then, in truth, they were only twenty-two and a half millions, and the previous year had been but twenty-five millions. A mistake of only fifteen to seventeen millions! and this not in estimates, but in facts, and proved, not only by Mr. Ewing, but by himself at the last session. For at the last session, when speaking of the last year of Mr. Van Buren, (which was 1840,) "he expressed a hope that it (the expenditure) might be brought down as an average for the four years, (Mr. Tyler's term) to the amount of Mr. Van Buren's last year; at least, he trusted it might not exceed twenty-two millions."

Another evil effect from such mistaken views, as to the aggregate and averages of past expenditure, and which it is useful to correct as early as possible, is, that by means of it, we not only flatter ourselves that reductions are commencing, when, in truth, we are making an increase; but our ideas of expenditure get inflated, exaggerated; and it therefore becomes more difficult to be reconciled to smaller and proper amounts.

Having made these corrections, and with these views, showing that the true expenditures in all Mr. Van Buren's term was only twenty-seven millions and a fraction on an average—in his last two years, only twenty-four—and in his last year but twenty-two and a half, I proceed next to show, that even these amounts were higher than he recommended, and higher than is now necessary.

On this last point rests the decision of all the most important of the resolutions. It is the lever that moves the whole. Without it, too, like the Indian philosophy, there is nothing at the bottom for several of them to stand on. Let us examine it then with the utmost care.

Mr. Van Buren's first year, 1837, commenced after an excess of appropriations—made by Congress in 1836, of near eighteen millions beyond the annual estimates submitted. This had compelled General Jackson to expend, in his last year, not only twelve millions more than in the previous year, but ten more than his estimates for 1836, and had forced into his estimates for 1837, additions equal to near three millions. But still Congress, under the expansive impulses of 1835 and 1836 over the whole country, not entirely checked before their adjournment in March of 1837 proceeded, again to appropriate beyond the enlarged estimates more than eleven millions. Mr. Van Buren started, therefore, with all this last addition and near half of the former one still unexpended—being together about twenty millions extra; and but for the consequences of such extra burdens begun and unfinished, his annual estimates would, on an average, not have called for more than seventeen or eighteen millions of new appropriations. But for these consequences and their causes, his expenditures also would not have been much above the same amount. Increased as even his estimates were obliged to be in consequence of new works and new offices, originating in Congress, they were on an average only about twenty mil-

lions, and the expenditures beyond that amount arose from the large appropriations outstanding, when his term commenced, and the constant additions made to them by Congress every year beyond the annual estimates.

Here is a tabular statement of the annual estimates for new appropriations—of the appropriations themselves—and of the expenses in each year since A. D. 1823. It is compiled from official data. It is new as to the estimates and highly important to illustrate this topic.

Years.	Annual Estimates.	Appropriations.	Expenditures.
1829	12,245,963	13,491,131	12,651,457
1830	12,263,626	14,976,471	13,229,533
1831	11,852,911	13,588,681	13,663,786
1832	12,964,099	18,397,751	16,514,134
1833	17,995,581	22,025,217	22,050,312
1834	8,0187,488	20,968,992	18,420,567
1835	15,610,232	17,830,681	17,006,513
1836	19,738,933	37,755,606	29,655,244
1837	22,651,442	34,126,807	31,610,003
1838	20,523,249	33,133,371	31,544,396
1839	21,665,059	29,662,560	25,443,716
1840	18,230,600	21,658,572	22,399,356
1841*	16,821,530	17,943,573	26,300,000
†	2,100,000	5,100,000	
1842	24,424,358		

*Regular session. †Extra session.

[Some of the last year are obliged to be stated in round numbers, and partly by computation, and the present year is of course ascertained only as to the estimates.]

I concede that the reasons in justification of those increases by Congress, whether in General Jackson's last term or Mr. Van Buren's, were not small nor few. Some of the increases were doubtless suggested by particular Secretaries after the session began, and the annual estimates had been prepared. But those usually do not exceed in amount what Congress is in the habit of refusing or deducting as to several items included in the annual estimates. Some increases originated in Congress as well as in the annual estimates themselves, from the gradual growth of the country and the public wants.

But independent of this, the members of Congress, from their more intimate connection with the community, were more under the influence of the great expansions and extravagances of the times, whether connected with banking, or trade, or speculation, than was the Executive. Beside the increase of its members and expenses by new States added to the stars in the flag of our Union—beside extending the benefits of the Federal judiciary over new Territories—beside multiplying our light-houses in regions newly visited by commerce, as well as in old ones—beside augmenting gradually both the navy and army—numerous special and extraordinary works were undertaken and accomplished. Among these were the erection of various public buildings here and elsewhere—branch mints established—bridges built and purchased in this District—roads made, repaired and extended, at great expense—several old States, with some new ones, freed from their Indian population—two expensive wars waged in protecting our frontiers from the barbarian—great cost incurred from the Canadian rebellion—the pension system much increased—the survey of our whole seacoast and the manufacture of standard weights and measures for each State, as well as the General Government, far advanced—

two valuable dry docks compleied for the navy—an Exploring Expedition fitted out—beside numerous forts finished or advanced—rivers and harbors improved—arsenals built and armories much enlarged.

I mention these circumstances as some justification in Congress, while the Treasury was overflowing, to apply a larger portion of the surplus to purposes really national in character and generally useful in their operation. The additional expenses were chiefly objectionable when for objects doubtful in their constitutionality, or not requiring so rapid a progress. They were usually voted for by members on both sides in politics, but when opposed, it was in general less by the opponents than the friends of those Administrations.

So far, then, as any extravagance or wastfulness can be charged on Congress, it comes with an ill grace from the other side of the house; and so far as they have been imputed to the Executive, it appears from these data to be utterly groundless. Even now, with all the complaints as to the amount of our expenses, increased as they were by Congress, and all the promises of large retrenchment, made by our opponents before they came into power, the mover proposes to make the present expenditure, exclusive of debt, twenty-four millions, including contingencies. He does this, when the average of expenditure for the whole of General Jackson's term was but seventeen millions; and of his and Mr. Van Buren's together, but twenty-one millions. On the contrary, as before March last, the tide of increase in expense had been turned for two or three years, as it had not then reached the lowest ebb proposed by several millions; and as the Treasury is now much embarrassed, it certainly seems probable that a reduction can safely be made lower than even the last year, and more especially lower than the average expenses of those Administrations, so much abused for extravagance.

There is another reason for going lower. The rate of increase, in population, since Mr. Adams's term, considering his expense a million too high, would not require now over seventeen to eighteen millions. Considering, also, that but seventeen millions was the average of General Jackson's two terms, increased as his last years were by such extraordinary circumstances, as I have just enumerated, must it not be easy, as well as practicable, in these necessitous times, to get on, and that vigorously and honorably, with a like amount, as under him? Was there not, then, a navy and army—both efficient? a judiciary, a Congress, a custom-house and land office system, a foreign corps, and all on a scale as efficient as now? Do we break down all our great and useful establishments, leaving them as large as they were then, and larger than under Mr. Adams? In an exigency, cannot we do now with what answered well then? and do as more befits our national interests, national honor, and national credit, than it would be to break all compromises and pledges, and prostrate what little reputation is left to us for prudence, and fidelity to public engagements?

So much for the comparison by averages. But it may be justly said that expenses, as a general rule, ought hereafter to advance beyond the past, and that averages for any number of years are not

inflexible guides for other years. This is true; and hence I have shown that, by peculiar circumstances, the past averages are higher than they ought to have been without those circumstances—that when Mr. Van Buren's administration closed, the annual expenses were descending, both by the expanding impulses having ceased to add so much beyond the estimates, and by the termination of works begun, as well as retrenchment in other respects. This is not a new idea with me; and from the official expressions of it frequently and long before the last Presidential election, I will trouble the Senate with one or two quotations, showing my views of the consequences of neglecting it, and in what respects I then supposed the reduction could be made. Thus, in the annual report on the finances, December, 1838, it was remarked:

"No doubt exists with the undersigned that prudence, at this time, requires a reduction rather than an increase in the aggregate of the annual appropriations. Besides what is dictated on this subject by a wise public frugality, and the strained condition of the Treasury, it is probable that, by the gradual reduction in the tariff, which is in progress under the existing laws, the receipts from customs (which now average sixteen or seventeen millions yearly) will, by 1842, be so far diminished as not then to exceed ten millions. Hence, if the annual expenses do not by that period undergo a reduction in some degree corresponding, so as not to surpass that sum, and the few additional millions which may then be derived from the sales of the public lands, an unpleasant resort to another increase of the tariff, or a recall of deposits with the States, or to permanent loans, will then, if not sooner, become indispensable."

Several suitable items for reduction were then specified, and the reasons for it, the details of which can be seen in the same report, including, among other things, some objects of internal improvement, light houses, pensions, &c. &c.

In another report, it was stated that the expenses could safely, and ought to continue to descend, till, in the present year, they would amount to only eighteen millions. Last summer, I enumerated again to the Senate, items amounting to three or four millions, in which I apprehended retrenchment would occur by the completion of works and contracts, or might safely be made from the expenses of the former year; and as those in 1841 have been so much augmented by the premature pushing of former appropriations—by heavy advances—by great allowances before refused, and by new and large appropriations at the extra session, it is practicable now to effect a reduction much greater in amount without public injury, than it was before the recent increases. Not entrencing myself now, any more than heretofore, behind loose generalities or mere professions, I shall next proceed to submit to the Senate the specific items and amounts in which a reduction will, of itself, happen, or by care can, in my opinion, be made from the expenses of 1841. You will perceive that it is not proposed in merely small matters—penny wise and pound foolish—not entirely in large ones, as sands form the mountains; but a judicious and safe selection has been attempted in both. I would be as liberal as the times, the embarrassments of the Treasury, and sound economy can justify. The list is open to the inspection of any person, and will show, that so far from being parsimonious as to the number of officers or their pay, either in the army, or navy—our pride and glory—the customs, the judiciary, land offices, or public Departments; and so far

from impairing the efficiency of any great establishment whatever, I have refrained to run a tilt even against the West Point Academy. I have not touched the pay of officers of any kind, in any of those situations, or the numbers of any of them, except a few useless supernumeraries in the customs and civil stations. I have left those fields for others to glean; and the amount which may be abolished or reduced in them—great as it doubtless is, in some cases reaching even twenty or twenty-five per cent.—that must be computed and added by them to what I have otherwise proposed. Or it may be substituted for some of my enumerated reductions, if deemed more eligible. I do not flatter myself that all my suggestions are either accurate, considering the want of exact data on this subject from the Departments, or are very likely to succeed; nor is any thing claimed for them beyond the intrinsic merits which careful scrutiny shall find that they possess. They are submitted, however, as projects for consideration, and as my contribution towards the design expressed by the six last resolutions in favor of retrenchment.

The plan I have pursued is this:

The Secretary of the Treasury, in his last annual report, states the expenses of 1841, including debt and Treasury notes, to be - - - \$32,025 070
Deducting debt and Treasury notes,
they would be - - - 26,396 996

This last sum is the true guide, and is ascertained with certainty for the first three quarters, and a statement for them is annexed to his report, giving the items and their amounts. The fourth quarter is estimated by him, and I have since offered a resolution requesting the items and amounts of that quarter, which by this time are ascertained, but no answer has yet been furnished to us. I have, therefore, been compelled to proceed without them, and in some cases, to add one-third of the expenses of the first three quarters for the fourth—where the expense was probably advancing in a like manner, and in other cases add less, where the work was probably not so advancing, and in others add nothing for the fourth quarter, if the business appeared likely to be ended. So in several instances of appropriations at the extra session, which could scarcely begin to be spent in the first three quarters, and were for matters to be expended at once; the whole amount has been given, as it was all likely to be paid out within the year. When the details of the fourth quarter are received, all these calculations will be subject to revision and some correction, but they are now believed to approach near to what will prove to be the actual result.

In case of works ended, or business done, or final payments made, the whole payment in 1841 is of course deducted as not likely to be repeated in 1842. In case of a work supposed to be unfinished, which might be and will be less expensive in 1842 than 1841, a proper reduction only is made from 1841; and in case where the public interests appear to require a larger expense in 1842 than in 1841, an addition is made to the expense of 1841, in an amount appearing suitable under all the circumstances.

Some mistakes are likely to happen with such imperfect data, but the amounts are taken from

official reports where they exist, and the others are intended to be accurate, and, after additions to some and subtraction from others, founded on different opinions as to details, or on new data, the aggregates will probably, in the end, not vary essentially.

The result has been this: All the expenses in 1841, which, it is computed, will, with that year, cease entirely, or, in a great measure, amount to about \$6,665,000. They consist chiefly of expenses in the land offices here and elsewhere, and the Surveyor General's office, (as these are, hereafter, to be paid out of the revenue from lands, and not be a charge on the Treasury) of most of the expenses connected with the late census, and a large amount for some public buildings now finished—a considerable portion of the expenses of the Florida war and pensions—the large contributions, made at the extra session, to aid the Post Office and the navy pensions—several heavy special appropriations for old claims connected with the Seminole campaigns—great payments under the Cherokee treaty, and some other Indian treaties not to be repeated—several large private claims—the whole cost of the extra session, and new outfits then for a number of foreign ministers—with many smaller charges specified in the list, but which need not here be enumerated.

The reduction from 1841, which, it is supposed, can be made in other items, equal about \$2,100,000. They consist of expenses in the two Houses of Congress—the Judiciary—refunding duties and drawbacks—fall in price of the rations in the army and navy—boards of commission—contingencies of departments and foreign missions—and several others of less magnitude there particularized.

The additional expenses, which, it is supposed, may be required in 1842 over 1841, are about \$1,700,000, being chiefly connected with the navy and army, and the longer session of Congress. These are to be deducted from that amount, which would otherwise be abolished and reduced. The balance to be saved in the aggregate would thus equal about \$7,065,000, which, taken from the expenses of 1841, at \$26,396,996, would leave for 1842 an expenditure of only about \$19,000,000, or by the tables \$19,331,467.

In 1843 a further reduction in pensions—in the session of Congress—the Florida war—forts—the navy, &c. would probably be made equal to \$2,500,000, which would reduce the aggregate expenses for 1843 to \$16,831,467. [See appendix.]

Allow in this year one and a half millions more to cover contingencies, and the aggregate for 1842 would be but \$20,831,467, and for 1843, with a like addition, it would be but \$18,331,467. What else can be easily paid towards the present debt will hereafter be seen, though none of it falls due this year which existing means to discharge by loans and new Treasury notes have not already been voted. But add one and a half millions more to constitute a surplus which, with half a million now on hand, is all the Senator asks—it would make every thing, besides the debt, which is needed in 1842, but \$23,331,467; and as this last item is not to be repeated, all that is wanted in 1843 will be but \$18,331,467.

This, sir, would be real retrenchment, and not that counterfeit which ends in taxes increased, and a national debt enlarged. It would be retrenchment in deeds, reducing expenses, taxes and debt all contemporaneously, and not retrenchment in words merely, holding the promise to the ear, and breaking it to the hope. It would also begin now, and not always be postponed to the future, or that more convenient season which, it is feared, will never arrive. It will, in fine, show that we are in earnest, and not talking for effect, or being unconsciously deluded and deluding.

I regret, sir, that there would seem to be two classes of persons in the Senate and the country, who may suppose their interests to be injured by so great reductions as these, and hence, might insensibly feel prejudiced against them, as well as against the individuals who propose them. Those classes consist of such as are to profit by large local expenditures, and the political patronage connected with them, and such as see in expenditures of that character a reason for raising the tariff so high as to give greater protection to their interests in manufactures. But I indulge in the hope that most of both of these classes every where, and all in this chamber, will rise above the influence of such considerations, in a crisis so alarming as this, and with boldness and patriotism apply the pruning knife freely. They may, in this manner, save public credit, and relieve the people at large from further taxation, when otherwise financial ruin must stare us in the face, and a suffering country be utterly broken down by additional burdens.

In this manner, also, as I will proceed to show, revenue sufficient can probably be obtained without violating either of the tariff compromises, and without thus throwing an apple of discord and disunion among the States, which is likely to prove fatal to all fraternal regard and public harmony.

The revenue to meet this charge is, under the present laws, to be derived almost entirely from customs. Its amount must, therefore, depend in a great degree on the value here of the aggregate of importations. Various computations were offered at the last session, and others have recently been presented in the Senate as to that amount. I shall offer none of my own on this occasion. It is sufficient for the present purpose to take that submitted by the mover of these resolutions, with such corrections in its details as are obviously proper. In this way, it will become manifest to the Senate, that on his own hypothesis enough is likely to be received in 1842, without raising any duty above twenty per cent. If his data be right as applied to 1842, there will be sufficient to pay all the above charge of near twenty-two and a half millions, and also two millions more, the amount estimated by the Senator as proper for the public debt. Next year four or five millions can be paid on the debt, beside discharging the other expenses, as before estimated. He makes the average exports of domestic produce, during the last six years, the foundation of his estimates for the amount of foreign imports, and the revenue on them this year; and he starts with the fact, that the average has been about \$103,500,000. This is the correct amount, but in six ensuing years, the

increase of exports over that sum, by the increase of our population and wealth, would, on an average, exceed eighteen per cent., and considering the lowness of prices, and that the aggregate last year was higher than that average, we ought to add to this value at least twelve per cent. This he has omitted or overlooked; and it being near twelve millions and a half, would present an aggregate going abroad of about one hundred and sixteen millions of dollars. Next he adds fifteen per cent. for their increased value in foreign markets, and thus augments the value to about \$133,400,000. From this he makes a deduction for the amount which will be applied abroad in payment of the State debts. But considering that large portions of those debts have recently been sent back to this country, and the payment of interest suspended for the present (though I hope not forever) on much more of it, the sum of seven millions, instead of ten, will be quite enough to deduct on that account, leaving to come home \$126,400,000. He next speaks of the home valuation to be added, computing it to be from fifteen to twenty-five per cent. and of the present mode of assessing the value of the imports somewhat higher here than abroad; but in fact he omits to add any thing for either. If we then increase by only fifteen per cent. the home value beyond the foreign value, which is little more probably than the difference now made in articles on which ad valorem duties are assessed, and the worth of all the imports here would be \$145,360,000. Deduct from this \$18,000,000 for the articles now free, beside tea and coffee, as he does, though estimating their amount I think too high, and the balance subject to duty is \$127,360,000. The duties on most of them, at twenty per cent. as he considers the rate—(those at a lower rate being too small in value to affect much the result)—and the gross amount of revenue would be \$25,472,000. The cost of collecting this, he computes at \$1,500,000, which would leave a net revenue of \$23,972,000, or only a fraction below twenty-four millions.

Now it must be manifest that this alone would pay the charge before computed of \$22,331,467, and leave this year over one million and a half towards extinguishing the debt, and next year over five millions and a half towards the same object.

But, besides this, there will be received in 1842 for duties, which accrued in 1841, and were secured by bonds on credit, quite \$3,400,000, as estimated by the Secretary of the Treasury in his annual report, but which the mover has forgotten. There will also be received quite a million more for duties accruing in the first half of 1842, higher than twenty per cent. which the Secretary overlooks, as well as the mover, making together this year \$4,400,000 more, which can be applied either to cover contingencies or differences in opinion, as to reductions and estimates, or to lessen further the public debt.

If the home valuation, computed at twenty-four per cent. was added to the value abroad, which the mover has at times considered not too high a rate, and the aggregate of revenue would be quite two millions and a half more.

Unless he is then entirely wrong in his original data for estimating the revenue as applicable to the

current year, or has omitted to make special reductions this year, proper on account of the peculiarities of the times and the country, and the discouraging position of the Administration, no increase whatever of duty above twenty per cent. can be needed to defray the reduced expenses which I propose. Indeed, none would be needed to meet his own larger computations of expenses, as they are but twenty-four millions this year without debt, and twenty-six with it. And as the smallest revenue, on the above computation, would be this year near twenty-four millions by means of twenty per cent.; and, adding to it what will be received under the old laws over twenty per cent. it will equal quite twenty-eight millions.

In confirmation of these conclusions, his estimates of revenue, on the twenty per cent. alone, for 1842 and afterwards, submitted at the late extra session, and prepared, as he said, at the Treasury Department, were one of them over twenty-two millions, and another over twenty-five. Here they are, sir. In remarking on them, his words are thus reported:

"The Treasury statement of the avails of the revenue for a series of years to come, he said, made twenty-five millions the supposed average for a series of years—twenty-three millions was his average of the amount of revenue for a series of years."

Either of those sums, with the additions of \$4,400,000 required for old duties above twenty per cent. collected in 1842, would pay all he now wishes to have for debt, and every thing else.

Why, then, sir, should he disturb the compromise in the tariff of 1833? If the Senator has not made any or sufficient deductions from the revenue this year on account of embarrassments in trade, inability to purchase foreign commodities, loss of confidence in private and public promises, and prostration of credit under the bankrupt system, as I think he has not, and hence that the revenue may in fact be lower than his data warrants, then the difference can be made up by still farther reduction of the expenses. In such extremities a prudent individual would reduce farther the number of his servants, sell off useless horses and carriages, and stop contemplated expenses for new furniture and buildings. On the same principle the Government, if wise, will, for a time at least, in such an exigency, go beyond the particular retrenchments before specified, and discontinue some of its numerous officers, reduce the wages of others, postpone some works, and the appropriations for them, where not immediately wanted, and, if need be, cut down all salaries and pay (including our own) quite one-fifth or one-fourth. This would be far more rational, in such a crisis, and better for a distressed community, than a resort to higher taxation or farther loans—loans, which the banks or capitalists are neither able nor willing to make on moderate terms to a spendthrift Government, and which, as the first resolution implies, are in time of peace injudicious and ruinous.

In the event, then, that for the revenue, the Senator has or has not made a sufficient reduction in his data, and we thus obviate the last, there will in either case be income sufficient. But in either, it is to be effected by taxing tea and coffee twenty per cent. or by taking back the public lands. The

question will then recur, which of these, under all the circumstances, ought to be preferred?

The mover of the resolutions proposes to tax tea and coffee, and includes that tax in his estimates. I propose to substitute for such a tax the repeal of the distribution bill. It is now conceded that the lands, if surveyed and advertised in the usual manner, will, even in these times, yield three millions, or as much as a twenty per cent. tax on tea and coffee would yield. Is it not, then, more wise and judicious to recall the lands, than break up our tariff compromises, and overburden our constituents with additional taxes?

I go further, sir, believing, as I do, that all reasonable expenses could be met under the present tariff without the tax on tea and coffee, if the lands were taken back. I would not only recall them before putting any duty whatever on those great comforts, if not necessities of life, to all classes among us; but much more would I do this before breaking the second as well as first compromise, and raising the duty higher than twenty per cent. on tea and coffee, (and even then not taking them back, as one resolution proposes,) higher, too, on salt, iron, sugar, molasses, and all the staple imports consumed by the poor and working classes almost as extensively as by the rich. The repeal of the distribution is admitted to be necessary on the one hand, or, instead of it, the imposition of a tax of twenty per cent. on tea and coffee. Before acting on these resolutions, the Senate then must decide whether they will take from every family in the country every fifth pound of their tea and coffee, which is the effect of the twenty per cent or recall the land revenue, which always belonged to the General Government, and which, in my opinion, especially when taxes must be collected instead of it, can never be withheld from the use of the General Government on any principles either expedient or constitutional.

The country will see that the two measures are antagonist. If the distribution bill is repealed, I have already shown, that with proper reductions in expense, tea and coffee need not be taxed at all. If it be not repealed, they must be taxed.

Now, sir, I shall not on this occasion follow the example of some who have preceded me in the debate, and argue in detail whether the distribution was ever justifiable or not, but will merely state briefly the few naked points or general reasons why the revenue of the lands ought in this emergency to be retained by the General Government rather than resort to new taxes on the great articles of almost universal consumption. The distribution bill should first be repealed—

Because the power of taxation is never to be used on articles of common consumption, either to include new ones or raise the burden on old ones, if it can honorably be avoided. But now a tax on tea and coffee can be avoided, if you retrench sufficiently and recall the proceeds of the lands.

Because deliberate compromises and compacts; as well as restrictions, are never to be broken, even when not binding in strict law, provided the breach can readily be prevented, as it may be here by taking back the lands.

Because a large branch of revenue, like that

from the lands, belonging always to the Government and used from its foundation, can never be prudently given away when the Treasury is embarrassed and deficient. You are thus not only compelled to resort to higher taxes or a permanent debt in time of peace, but you lose general character for sagacity, and have less to pledge in support of your credit. A bond alone is not so readily taken as a bond and mortgage; and a promise, even by a Legislature, to raise money and apply it in discharge of its interest or bonds, is seldom if ever, in these times, quite so good security as the taxes actually voted, assessed and pledged.

Because the Constitution, as well as prudence, is violated, if the power of taxation is exercised to obtain money for the purpose of distribution. There is no such grant in it; and hence, giving away the proceeds of the lands now, when there is no surplus and more taxes must be imposed to supply their place, violates the strong convictions of right expressed by the mover himself of the resolutions, in 1832, as well as violates the clear spirit of the Constitution and the dictates of enlightened prudence, so frequently demonstrated since.

Because distributing the lands purchased in Florida and the former immense limits of Louisiana, is giving away what was purchased and paid for out of the Treasury, by taxes on commerce with other revenue, and is therefore a virtual donation of those taxes, and hence is admitted to be unjustifiable.

Because the other lands were ceded by only seven States out of twenty-six, and if they go back, not as a gift but as a resulting trust; the purposes of the cession having been accomplished, (which by the way is not yet true) then they can go to only those seven States, and not, as now, to the twenty-six.

Because, if they go back as a general trust, for all the States, the object of the conveyance being finished, which is not correct while there are any joint and common wants to be supplied, (and no clause in the deeds can fairly bear a different construction,) then neither the purchases of Florida or Louisiana, which now yield nearly half the annual proceeds, can be distributed. They were not obtained by deeds from any of the States under any conditions or trusts whatever.

Because the lands cannot be granted to the States under the idea it is for the payment of any debt; as the States owe the General Government, rather than the reverse, and as there is neither evidence nor consideration in support of such a debt. If there was, we have no right to stop its payment in war, as the bill does, or take back, when we please, any of the lands, as the bill provides, nor arbitrarily pay more in proportion to some States than to others, as the bill does.

Because the power in the Constitution to dispose of the public property is a power to sell it and not to give its proceeds away, but the proceeds must be paid into the common Treasury, as they ever have been, and must be applied to the public, joint, specified objects, to which alone, under the Constitution, any money can be lawfully applied.

Because the distribution, if with a view, as some avow, to aid in paying the State debts, incurred for State objects, is for a purpose not specified nor

designed by the framers of the Constitution, is unequal, as several States owe nothing, and is in its tendency most ruinous to the original relations and dependencies between the States and the General Government.

Because if the distribution be, as others argue, to relieve the States from the necessity of direct taxation, it is then also for a purpose not authorized in the Constitution, and in another respect most unequal and oppressive in its operation, as all the States, considered together, must pay back by indirect taxes more than they thus receive, in an amount equal to the addition of costs of collection, agencies, losses, &c. Beside this, many States not being in debt, must submit to this injury solely for the benefit of others more improvident.

Because, not to recall the lands, is to let the State Governments apply to any objects they please, and in any manner, however wasteful, money belonging to another Government, or furnished virtually by taxes assessed by another Government. We thus dangerously sanction taxation by one Government and the application or appropriation of the money to be made by another Government.

Because the distribution in this way tends to relieve property from direct taxes in the indebted States, which is best able to pay taxes, and most bound to pay them, and throw it chiefly on persons, by means of the substitute of indirect taxation through the tariff, and this, too, when persons are the least able to pay them. It thus increases, also, the burdens of those States who consume most, compared with what they manufacture, and relieves those who consume least of either foreign or domestic products, coming from beyond their own borders. In this and other modes it tends to augment our debt in time of peace—works unequally and oppressively—revives State jealousies—and disturbs vitally the harmony of the whole Union.

My hostility to the distribution bill arises from causes like these, and not from an unwillingness to vote taxes when proper. Lord Castlereagh once complained of what he called "the ignorant and impatient dislike to taxation," which characterised England. Our people, however, are averse to taxation when unnecessary, not from ignorance, but intelligence; and hence experience shows that they will always submit to it when the real wants of Government, or national honor and the public credit, demand the sacrifice. They will yield to a tax even on tea and coffee, if thus demanded; provided the lands are first recalled, but not till then; much less will they submit to it, if rendered necessary only by giving the lands away, and refusing retrenchment for the purpose of increasing the tariff higher, in order to protect manufactures. It is a lamentable position, that any great branch of industry should find its supposed interests likely to be promoted by extravagant expenditures and wasteful donations of the public revenue. As men are but men, frail and yielding, it is to be feared that much evil must result from that position, however pure and well disposed all those may be, and doubtless are, on this floor, who feel friendly to a system of high protection to manufactures.

Indeed, we have already witnessed in this debate arguments in favor of a higher tariff than

twenty per cent. in order to aid manufactures, and arguments also against the repeal of the distribution, virtually because it would keep down the tariff three millions lower. Now, sir, I may say, once for all, that it will, in my opinion, be fatal to all sound principles of political economy, and to all wise retrenchment in public expenditure, if we yield to this siren song of protection, by taxation. The Constitution was not formed for one class of people alone. The laws should never be shaped to aid only one kind of employment. The expenses should never be graduated to promote the interests of but one section. The taxes should never be imposed except for common purposes. But some gentlemen, though admitting that taxes cannot be raised at all, or higher than twenty per cent. merely for protection, argue that it may be done directly for other purposes, but in such a way as to operate indirectly for this. This is avowedly to legislate to accomplish one object, but really to seek another. Those who, in substance, use such reasoning, must justify it. I am not going into any details of argument on it, but, in my view, the following positions show the fallacy of all taxation, direct or indirect, with the exclusive design of giving protection to manufactures.

1st. The power of taxation in the Constitution is conferred expressly to pay debts, and support the various civil, military, and naval establishments of the Government, and not to protect manufactures alone, or even these and other branches of labor as a specific object.

2d. Whatever benefits would incidentally result to any branches of industry from any system of taxation, ought to be as far as possible useful to all branches rather than one; and certainly not to one, as manufacturers, at the expense and injury of others, such as commerce and agriculture. But whatever may be pretended in reasoning that all branches are to be benefited by a higher tariff, the fact is, that none but manufacturers call for a higher tariff, and none but they and their friends believe in its utility.

3d. Protection by discrimination in duties having been deliberately abolished in 1833 by the compromise act, it is certainly a gross violation of its spirit now to refuse to repeal the distribution and retrench expenses, in order that protection may be obtained in another way by means of higher duties on every thing. A discrimination for protection, raising at the same time less in the aggregate from the people than in this new mode, would surely be less burdensome to the community in its direct effects, and tempt us less to extravagance and waste in expenses, though either mode seems unjustifiable.

4th. Protection in either way is impolitic, as it tends to create an artificial state of business; because the products, which it is necessary to aid by virtual bounties in order to make them here, are either products not natural to our climate, or not congenial to our habits, or not germane to the skill, education, and principles of our people. Hence it costs much more to make them here than to buy them abroad. If only four dollars more per head be paid by our population on the products, domestic and foreign, which they consume, and whose price is thus raised, our whole tax yearly, on this

account alone, would be over sixty-eight millions of dollars.

5th. Protection, in either way, is also impolitic, because it disturbs capital and labor, by tempting it with higher profits for a time, into new channels, but ere long, they being thus overstocked, profits become unusually low, and the system, as a whole, proves unprofitable and ruinous.

6th. Protection, in either way, running this round, is suicidal, as it asks in time for still higher taxes, and higher, till the whole system breaks down by its own weight, or by its inequalities and injustice. Such was the case in 1833.

Again, in illustration of this position, when duties in 1824, were already twenty-five per cent. on some articles, thirty on others, and even fifty on others, the manufacturers were no better satisfied, nor more prosperous, than they now are with but twenty. Then the mover of these resolutions, even under those high duties, and the lauded currency of a National Bank, drew a picture of the sufferings of the country, and especially the distresses of the manufacturers, to which their present situation is enviable—is full of light and gorgeous prosperity.

7th. Protection either way, if it fosters some and injures others, is not only unequal and unjust, and in time, defeats its own object, where the product is not natural or congenial; but it tends here to cramp the energies of the second commercial nation on the globe—feters enterprise—reduces profits on what is not protected—oppresses those who pay more for what they consume; and as it throws obstacles in the way of free labor and free interchange of products, it leads to retaliatory wars and non-intercourse, and retards civilization and improvement all the world over.

8th. Protection either way is, in fine, never needed for legitimate and useful industry, as every country and climate have their peculiar advantages, and possess products more cheaply obtained or made than elsewhere. The North has its grass, fish, and ice—the South its cotton, rice, and sugar—the West its wheat, corn and pork—Italy its silk and wines—England its coal, iron, and tin—Turkey its drugs—Spain its olives—Mexico its mines—India its opium and indigo—China its teas, and so through all the wide circle of every zone; and so, too every where with certain manufactures, peculiar to various states of society, to skill in arts, fortunate improvements in machinery, and a thousand circumstances unconnected with taxation. In fine, not to extend illustrations or enumerations, protection is given by some spontaneous cause or other, to all people in something, and beside this, to others, by distance and expense of transporting similar articles from remote places. If you go beyond this, you make consumers pay higher than is necessary; you force what is unnatural; you enchain free exertion, and you interpose new obstacles in the way of human progress and the friendly intercourse as well as rapid amelioration of all our race. And for what? According to the arguments pressed throughout in this debate, it is, besides protection, to keep specie more in the country. Otherwise, gentlemen fear it will go abroad to purchase foreign products. I rejoice, that the manufacturers

have become so much more friendly to specie than some of them were in 1837, when, as well as since, so many of them indulged in such undeserved eulogies on *blessed paper credit*. They forgot on this the sarcasms of Pope, over a century ago.

"Blessed paper credit, last and best supply,
That lends corruption lighter wings to fly;
Gold imp'd by thee can compass hardest things;
Can pocket States; can fetch or carry Kings.
A single leaf shall wait an army o'er
Or ship off Senators to a distant shore."

Thanks to the *second sober thought* of the people, we are not all yet shipped off by *paper credit* to a distant shore, though some may have been a few years ago. Specie is much more likely not to be shipped off, under a system of free trade, than under any prohibitory laws to aid manufactures.

On this, sir, we need but little reasoning, as it is obvious that the greater commerce is, rather than the less—the more do you need specie or its equivalent as the chief medium of settling commercial business, and commercial exchanges. The more engaged then, in trade, is any nation, like England or France, the greater is the amount of its circulating medium as well as its specie. In those countries, while the currency is eighteen to twenty dollars per head, and more than half in specie, it is in Spain, Russia, &c. less commercial, only to five or six dollars per head, and in Russia, often in depreciated paper.

But above all this, our official tables show that less specie has remained in the country under a high than a low tariff. The imports of specie from 1829 to 1832 inclusive, the period of our highest tariff, did not exceed the exports more than two millions a year on an average, while from 1833 to 1841 inclusive, when the tariff was falling, the former exceeded the latter more than five millions annually. I know full well that these official returns are not exact, and that other causes may have aided to increase the quantity of specie remaining in the country during the last ten years. But I know also that this same period is as just as any other for comparison, and in another view of this question, that it shows an increase of specie retained here, being near fifty millions, going hand to hand, with an increase in our commerce, unprecedented in history. This attempt by legislation to prohibit specie from being exported is Spanish in its sagacity and liberality; and we might almost as wisely prohibit by law the tides from ebbing, or salmon and birds from migrating.

Again, a high and protective tariff is advocated by some on the ground that it would diminish our imports from England and her dependencies, when in fact, our imports thence have been highest, compared with our exports thither, in the four years of the highest tariff. Indeed our trade with that power and her dominions has never been the losing one to us, which many have supposed.

For though she has not, under her severe corn laws, taken so much of our grain as is desirable, yet she has taken other articles, and especially cotton, in such abundance, that, computing the value of our exports as it is abroad, the value has been greater than our imports from those places, during the last twenty years, by near a hundred millions of dollars. The tabular statements as to this are before

me, but I will not trouble you with their details.

One moment as to a new topic of alarm, which has been introduced into this debate by the Senator from Indiana, [Mr. SMITH.] He apprehends that our market in England, for our raw cotton is likely to be soon cut off by increased imports there from India. Hence, he argued, that the tariff must be raised here in order to make a greater market at home for our own cotton. What does he state to be the foundation of these sad forebodings? It is, as I understood him, the increased import of cotton from India into England, during the last ten years, equal to 23,000,000 pounds. Taking this to be the fact, as I have not examined his tables, it looks like a large addition. But what do you suppose has been the increase in the American exports of cotton during the same period? Not, sir, merely 23,000,000, but 445,000,000 pounds. This has been nearly twenty times the increase of exports from India to England, as stated by that Senator. The increase in the quantity grown here in that period has been still greater. I shall not go into this topic further, though my inquiries on the growth, manufacture, and trade of cotton, might enable me to do it with some advantage. But to show how the other years, near 1830 and 1840 compare with those two years, in our exports of cotton, so as to bar any inference that those two do not exhibit a fair comparison, I will state them for four years nearest such period.

The exports in 1827, were	294,000,000	pounds
" 1828,	210,000,000	"
" 1829,	264,000,000	"
" 1830,	298,000,000	"

Aggregate, 1,066,000,000 "

The exports in 1837, were	444,000,000	pounds
" 1838,	595,000,000	"
" 1839,	413,000,000	"
" 1840,	743,000,000	"

Aggregate, 2,195,000,000 "

This gives an increase in the exports of cotton from the United States during the last four years, beyond those ten years ago, of 1,129,000,000 of pounds. Is this calculated to frighten the South into a system of protection? On the contrary, the price has fallen so much with this vast increase of quantity, that the probability rather is, that parts of the South may voluntarily resort to other crops to a greater extent than heretofore, as being, under the circumstances, more safe and convenient, as well as more lucrative. It is estimated, sir, that the crop of raw cotton grown in the United States in 1839 was equal to the whole cotton crop of the world in 1834; and yet, sir, our crop of the humble article, Indian corn, at only half a dollar per bushel, was near three times its value, and the more humble article of hay, double its value. India has always raised and always exported some cotton. But does not every body see that, with her dense population, if she diverts much land to the growth of more cotton, on which are now raised rice and grain, she must import the latter from this or some other country, and be in constant danger of famine?

Let every nation, then, sir, produce what her climate, the character, and skill, and habits of her population render most profitable, without force or not bed protection. Then most is raised, and most exchanged, if each nation is, at the same time, by free commerce, allowed to sell where she can obtain most, and purchase her wants where she must give least. In this way each nation is gaining, and is useful to the whole circle of nations. All produce and profit most, by untrammelled intercourse and exchange with all; mutual benefits and improvements are greatest, and man every where ceases fastest to be a wolf to his fellow man. In this view, it is of little consequence whether the country which buys most of us, sells us in return most or least. Specie and commercial exchanges overcome and equalize all this, as mere bariers is the very lowest stage of trade, as well as of civilization.

Let us, then, promote, rather than obstruct, in this enlightened age and country, freedom in every thing salutary. The people can then, unburdened and unrestricted, see prosperity revive, if the legitimate resources of the Treasury in the lands are promptly recalled, and our expenses retrenched to an economical standard. But if we do not hasten to these modes of relief, a most appalling catastrophe awaits the finances and credit of the Government—a volcano is opening under our feet. New estimates, even while these propositions are under discussion, are sent to the other House, which are likely to swell our ordinary expenses to near thirty millions, rather than reduce them at once, as should be done, to twenty or twenty-two, and next year to eighteen.

While we talk, the blow of discredit, protests, and new acts of disgraceful bankruptcy, may be again struck. With all the breakers ahead, and all the ominous shrieks in the misty air, not a single official recommendation is sent here for recalling the land revenue, or retrenching what is sinking us into the dark abyss of insolvency. Not a rag of canvass is taken in, nor the rudder turned a single point to avoid shipwreck, as is more and more necessary after the expansions and extravagances of the late extra session. But the ordinary mariners on board, as well as the helmsman, seem blindly bent on going down, vessel and cargo, under full sail.

So must it be, if this infatuation does not speedily cease; and while we lament it on account of our common country, its welfare and character, so dear to us all, we must submit, from the impossibility of averting financial ruin, without soon, very soon, adopting wiser councils and wiser action.

APPENDIX.

By the last annual report on the finances, all the expenses of 1841, are	\$32,025,070
Deduct Treasury notes and debt,	{ 5,054,891 573,153
	\$26,970,179
The expenses of the whole year 1841, besides debt and Treasury notes, were, according to the annual report of Secretary of the Treasury	\$26,396,996

Ascertained items for three quarters, given in the statement annexed to that report, which it is supposed should cease entirely or to the extent

named, to be a charge on the Treasury. The 4th quarter is in some cases estimated and added:

(1st page.)	
1. General Land Offices expenses	121,556
Register and Receivers' salaries, with incidental expenses:	3,396
[Some of those are paid out of the accruing revenue, but are all a charge on the lands, though not all on the nett revenue.]	
Expense of surveys and salaries, and expense of offices of Surveyors General	202,756
	\$407,706

These are for the whole year, as taken from a special report.

2. Repayment for lands erroneously sold, after 1st January, 1842, whole year estimated	12,000
3. Relief of certain inhabitants of Florida	43,846
4. Payment of certain clerks in custom houses at Boston and Philadelphia, (a new appropriation and probably ended)	23,200
5. Survey of Texas boundary and northeastern 4th quarter estimated at	82,851
6. Post Office for the whole year, assumed at [As that sum was appropriated for debts then due at the extra session.]	20,000
	497,000

(2d page.)	
1. Relief of American seamen—arrears for past years—beside the usual sum	46,550
2. Expense under Mexican commission for whole year	15,000
3. Agent to Havana	6,043
4. Arrearages to Georgia militia	78,495
5. Certain buildings at West Point finished	5,050

(3d page.)	
1. Purchase of site and rebuilding of arsenal at Charleston, S. C.	11,556
2. Purchase of saltpetre and brimstone	50,000
[4th qr. \$16,000 near average, but not carried out.]	
(4th page.)	

1. Removing raft in Red river	25,000
2. Surveys on the lakes	10,000
3. Arrearages for roads, harbors, &c. whole year,	3,000

(5th page.)	
1. Cherokee treaty of 1836	1,184,503
[4th quarter, on an average \$330,000 now—but not added as doubtful till report of the 4th quarter is received.]	
2. Expenses ended in the Winnebago treaty	13,000
3. Claims paid in Miami treaty	26,690
4. Certain surveys in Mississippi, for the whole year, estimated	5,000
5. Relief to several individuals, in sums unusually large	50,000

(6th page.)	
1. Tennessee volunteers, mustered by General Gaines	23,884
2. Pay of Illinois militia	5,618
3. One month's pay for Kentucky, Tennessee, &c. militia for 1837	48,962
4. Protection of Northern frontier	53,863
[4th quarter \$17,000 average, but not added.]	
5. Transportation of 4,000 volunteers	16,000
6. Drafts and arrearages in Florida—subsistence of volunteers, and purchase of three small vessels	25,000
7. Transportation of supplies for the whole year—volunteers, &c.	24,000
8. Freight or transportation in Florida, and miscellaneous and contingent charges	52,500
9. Carrying into effect Osage treaty	12,600

Items general and partly derived from other documents and appropriations.

1. Navy pensions voted for at the extra session, then due and nothing more a charge on the Treasury	\$130,000
2. Arrearages of roads and harbors, voted at extra session, and spent probably in 4th quarter	40,000
3. To General Reid's militia	237,213
4. To arrears to Florida Militia	19,388
5. Insolvent debtor expenses, &c. ceased since bankrupt law—so the commissioners should be abolished, &c.	3,000
6. Buildings of the Treasury, Post Office, Patent Office, and New York Custom-house, ended, on which expended last year, whole year estimated, excluding Boston	403,000
7. Census ended, and expended in whole year, computed	830,000
Leaving some balance for printing and arrears in 1842.	
8. Florida war so far ended as to reduce expenses	

for this year two thirds—e. g. last year suppressing Indian hostilities; whole year estimated from three quarters at 2579,211 to be \$1,150,000
 Quartermaster's Department at extra session, chiefly for this 440,040
 Other transportation, subsistence, and forage incurred by Florida war 300,000

\$1,890,040

Of which two-thirds is

9. Furnishing President's House, whole year estimated	5,000
10. Greenough's statue placed in the Capitol	20,000
11. Donation to Mrs Harrison, and expenses of President's funeral	30,000
12. Extra outfits of foreign ministers, at extra session voted	63,000
13. All expenses of the extra session of Congress estimated at about	550,000
14. Custom-house officers, recommended to be abolished formally (no matter how paid)	20,000
15. Two revenue cutters abolished as duties lower	25,000
16. Arrears to collectors made up (1st page) at least	80,000
17. Two commissions of inquiry and all expenses less by	40,000
18. Salaries of some district judges raised, but others lowered, so that aggregate be the same.	

Reductions in 1842 from expenses in 1841, in several particulars, not specified under what is supposed to have ceased entirely or chiefly.

(1st page.)	
1. Contingencies of Congress, printing, &c.	\$150,000
2. Executive Departments, contingencies	50,000
3. Territorial Governors' salaries reduced	2,000
4. Mint clerks and expenses reduced—as no deposits and less coinage	5,000
5. Judiciary expenses reduced by clerks and by judges, not allowing when no express law	50,000
6. Light house keepers' salaries reduced 25 per cent.	25,000
7. Erecting marine hospital at Mobile	5,000
8. Roads and canals in several States	36,000
9. Refunding duties and debentures, per year, less	280,000
10. Reduction in foreign missions, by discontinuances, &c. at a few foreign courts	30,000
(2d page.)	
1. Tobacco agent, and al	2,000
2. Pensions reduced by falling off, general average	600,000

3. Widows, do. less by	300,00
(3d page.)	
1. Arsenal and armories reduced at least	100,000
2. Barracks, reduced, expenses about	50,000
(4th and 5th pag-a.)	
1. Contingencies to Indian Department reduced	10,000
2. Expenses in holding treaties and renewals, less	5,000
(7th page.)	
1. Less expense in 1842 in building two steamers	250,000
2. Rations for army and navy reduced in cost by fall of prices, &c.	150,000

RECAPITULATION.

1. Abolition of expenses, by ceasing entirely or chiefly, as the objects are ended, &c.	Aggregate	\$6,665,529
2. Reductions of expenses, chiefly on objects not ceased		2,100,000
3. In this way the whole saving from expenses of 1841 would be		\$8,765,529
Add in 1842, for a few important items—		
1. Long session of Congress, and increase per diem		200,000
2. Increased naval expenses by Home squadron and more officers—and army, for fortifications, and ordnance		1,300,000
3. Other miscellaneous items, estimated at		200,000
Additions, aggregate,		\$1,700,000

From the whole gross savings of	\$8,765,529
Deduct the additions of expenses to be made, equal to	1,700,000

Balance of nett retrenchment to be made in 1842, by objects finished and reductions in others	\$7,065,529
Take the last sum from the whole expenses in 1841, and there is left for expenses in 1842	19,331,467
In 1843, as less will then be needed for forts, pen sions, Florida war, navy and Congress by two millions and a half, the whole expenses can be reduced to	16,831,467

NOTE.—Some items are not carried out in the above tables, as the particulars of the fourth quarter are yet unknown; and some of them may not be paid out of the Treasury, but from the accruing revenue. The last items are less in amount probably than the first, and the results may not be materially changed.

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